

Fax Transmission

For: U.S. Department of Justice

National Security Division

Counterespionage Section/Registration Unit

F: 202-514-2836

From: Saylor Company

F: 626-795-9533

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NSD/CES/REGISTRATION

From: Cathy Noh [mailto:cathy.noh@saylorcompany.com] Sent: Tuesday, September 29, 2009 6:21 AM

Subject: Statement on behalf of Republics of Abkhazia and South Ossetia in advance of EU report on Georgia War

Importance: High

The following is being distributed by Saylor Company on behalf of the governments of the Republic of Abkhazia and South Ossetia:

On Wednesday, a special commission investigating the August 2008 conflict in Georgia is expected to report its findings to the European Union in Brussels. Based оп media coverage, we expect the commission to corroborate the position of the South Ossetian and Abkhazian governments that it was Georgian President Mikheil Saakashvili who was responsible for launching the August 2008 war. As a result of that five-day war, which targeted a civilian population in Tskhinval, hundreds of people died and thousands were left homeless. South Ossetia bore the brunt of the damage.

We have compiled the attached backgrounder for consideration in your coverage of this long-awaited report. For more information on the August war and other issues relating to the Caucasus, please refer to www.republicofsouthossetia.org and www.therepublicofabkhazia.org. Please contact us if we can assist you with any other questions.

We will also be distributing statements from both governments after the report is released.

Best regards,

Steve Ellis Saylor Company +1 202.715.1448 steven.ellis@saylorcompany.com

and

Evelyn Iritani Saylor Company +1 626.354.5078 evelyn.iritani@saylorcompany.com

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SAYLOR COMPANY PUBLIC RELATIONS COUNSEL CATHY NOH CATHY.NOH@SAYLORCOMPANY.COM 562.556,5512 CELL 626.639.5013 OFFICE 626.795.9533 FAX

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PUBLIC RELATIONS COUNSEL

September 29, 2009

PURSUING GENUINE PEACE IN THE CAUCASUS

After more than a year of denials by Georgia, a special team appointed by the European Union is expected to confirm this week what the governments of South Ossetia and Abkhazia have known from the start: Georgian President Mikheil Saakashvili started the war in South Ossetia on August 7, 2008. It was Saakashvili who went on television and told the people of South Ossetia that he was calling a ceasefire and then hours later, ordered his U.S.-trained and equipped troops to fire cluster bombs and rockets on a civilian population in Tskhinval, South Ossetia's capital.

Georgia's president and his supporters now say it doesn't matter who "fired the first shot." That is cynical and irresponsible. Until President Saakashvili accepts responsibility for last August's war, and signs a pledge of non-violence against his neighbors, the people of the Caucasus will continue to live in fear, their economies and future clouded by the prospect of more Georgian attacks.

If Western leaders are serious about supporting a peaceful resolution to the conflict in the Caucasus, they will formulate policies based on the following facts:

- South Ossetia and Abkhazia are independent nations and will never return to Georgian control. This is the overwhelming desire of the people of both countries, who have voted for independence from Georgia on several occasions. Both governments are pursuing nation-building, economic development, and foreign relations initiatives. Abkhazia will hold elections in December, and South Ossetia is executing a wide-ranging private and public sector reconstruction program.
- President Saakashvili claims he is not seeking war but his actions speak otherwise. In last week's speech to the UN and in media interviews, he repeatedly stated that he has not given up his plan to reclaim South Ossetia and Abkhazia. He refuses to sign a pledge of non-violence against his neighbors and he continues to exhibit hostile and provocative behavior, including the seizure of Turkish ships carrying fuel and consumer goods to Abkhazia.
- The West is fueling the fire and increasing the chances of conflict by providing Georgia with billions of dollars in aid. The U.S. alone has

Los Angeles · Washington, D.C. T 626 794 8606 · www.saylorcompany.com · F 626 795 9533

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committed more than \$1 billion in support to Georgia in the past year, most of which has not gone to helping the victims of the August war. Instead, those funds are being used to subsidize the construction of luxury hotels and conference centers and provide the Georgian people with low-cost home loans and health care and government salaries and pensions.

- The Obama administration claims that it is not providing arms to Georgia, but that is simply double-talk. By giving Georgia billions of dollars to fund other Georgian government programs, the West has enabled Georgia's leaders to funnel more of their own money into military expansion. In 2007, Georgia had the highest average growth rate in military spending in the world, according to the Stockholm International Peace Research Institute. Between 2002 and 2007, military expenditures as a percentage of GDP in Georgia jumped from 1% to 9.2%.
- Critics claim wrongly that South Ossetia and Abkhazia are puppets of the Russian government. It is the West's continued support of Georgia, including a campaign of economic and diplomatic isolation that has forced South Ossetia and Abkhazia to rely more heavily on Russia for economic and military support. For example, Abkhazian businessmen have been unable to get visas from Western nations to conduct business or attend trade shows and the Abkhazian railroad and airport operators cannot get the codes and certifications necessary to operate internationally. South Ossetia is suffering from the same problem as it develops its transportation infrastructure and stimulates economic development.